

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREAS: LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 SEALED BID

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 2:00 PM on Thursday, January 14, 2021. All tracts were awarded at the Bid Award Location at Cambridge Forestry Office at 10:00 AM on 01/15/2021 in Cambridge, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.



MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

REGULAR AUCTION SEALED BID TIMBER SALE LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

SEALED BIDS MUST BE RECEIVED PRIOR TO 2:00 PM on January 14, 2021 Bids will be awarded at the following location:

Bid Award Location at Cambridge Forestry Office at 10:00 AM on 01/15/2021 in Cambridge, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bids must be submitted on bid forms provided by the State, all bids must be submitted in one or more envelopes, the envelopes should be marked with the auction name. Bid forms may be obtained online at https://www.dnr.state.mn.us/forestry/timbersales/calendar.html or from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (2:00 PM on January 14, 2021). Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid opening date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders's advance payment will be kept on deposit by the State and applied against any billings for timber.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the advance payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the advance payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until January 14, 2022, at the following Area Headquarters: Little Falls Area, Sandstone Area, Lewiston Area, New Ulm Area.

TRACT B1 COUNTY: MORRISON AREA: LITTLE FALLS AREA ACRES: 126.3

Permit Number: B014930 Expiration Date: 05/31/2023

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

NENE of Section 36 - Township 41, Range 28W.

SESE, SESW, SWSW of Section 36 - Township 41, Range 28W.

NESW,NWSW,SESW,SWSW of Section 36 - Township 41, Range 28W.

NENW, NWNE, NWSE, SENE, SENW, SWNE of Section 36 - Township 41, Range 28W.

					APPR	APPRAISED		%: 105
3	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	3,575.00	Cd	13.00	46,475.00	26.65	95,273.75
+	OAK SPECIES	PULP & BOLTS	422.00	Cd	16.74	7,064.28	34.32	14,483.04
	BASSWOOD	PULP & BOLTS	313.00	Cd	5.95	1,862.35	5.95	1,862.35
	MAPLE SPECIES	PULPWOOD	166.00	Cd	8.00	1,328.00	8.00	1,328.00
	PAPER BIRCH	PULP & BOLTS	150.00	Cd	9.44	1,416.00	9.44	1,416.00
	ASH	PULP & BOLTS	89.00	Cd	5.14	457.46	5.14	457.46
•	₱ BID SPECIES	* SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$58,603.09 \$8,790.46	BID TOTAL	. = \$ 114,820.60

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 2,165.00 Tons 0.65 1,407.25

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 6%; Trembling Aspen 94%.

Maple Species Pulpwood includes: Red Maple 65%; Sugar Maple 35%.

Oak Species Pulp & Bolts includes: Bur Oak 18%; Red Oak 82%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 16%; Pulpwood 84%. Basswood Pulp & Bolts includes: Bolts 19%; Pulpwood 81%. Oak Species Pulp & Bolts includes: Bolts 25%; Pulpwood 75%. Paper Birch Pulp & Bolts includes: Bolts 21%; Pulpwood 80%.

Cutting and Felling:

- Harvest all aspen, oak, basswood, maple, ash and paper birch (Cutting Blocks 1, 2, 3, and 4).
- Reserve yellow birch, black cherry, conifers and American elm (Cutting Blocks 1, 2, 3, and 4).

Season of Operations:

- Oak wilt is within 20 miles and poses a threat. No sale operations allowed from April 1-July 15 due to oak wilt concerns, unless with written permission from State (Cutting Blocks 1, 2, 3, and 4).
- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 4).
- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 2 and 3).
- Frozen ground access across state (Cutting Block 2).

Landings Roads and Trails:

- When sale is completed, plug access trail entrance with slash/root wads at least 3 feet deep and covering the first 5 feet of the access road (Cutting Block 3).

Sale Conditions:

- Access is across state land (Cutting Block 4).
- Permission to cross private land must be obtained by permittee (Cutting Block 3).

Marketing Conditions:

There was a wind event on August 14th, 2020 that impacted 5% of the original sale area. All volumes have been adjusted and price reduced by 5% to account for differences and difficulty of operations. All volumes were assumed effected equally and based on estimates, not an actual field cruise.

Sale is located off County Road 39 in Morrison County, 7 miles west of highway 169 and 13 miles east of Pierz. There are four cutting blocks to be harvested, all within the 36th section of Leigh township.

There may be potential to access some cutting blocks through private land from the north and from the east. Permit holder must obtain permission from land owner.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: +10% Operational Constraints: -5%

Other Price Factor: -5% (Blowdown deduction)

Appraiser:

Timothy Michael Stai

(Appraisal ID 15367-0; Cutting Block ID 17872-0, 18472-0, 18473-0, 18456-0)

TRACT B2 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 142.5

Permit Number: B014931 Expiration Date: 05/31/2024

Purchased By: Sappi Cloquet LLC

BIOMASS

Address: 20 N. 22nd Street, Cloquet, MN 55720

NENW, NESW, NWNE, NWSE, NWSW, SENW, SESE, SESW, SWNE, SWNW, SWSE of Section 16 - Township

44, Range 17W.

				APPRAISED		AISED	BID %: 188		
					UNIT		UNIT		
SPI	ECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE -	\$ VALUE	
+	TREMBLING ASPEN	PULPWOOD	3,300.00	Cd	16.10	53,130.00	46.37	153,021.00	
ı	PAPER BIRCH	PULPWOOD	150.00	Cd	10.35	1,552.50	10.35	1,552.50	
+ BID SPECIES						_ = \$ 154,573.50			
			A	DVANCE	PAYMENT =	\$8,202.38			
Optional Timber (may be purchased with an Added Timber Agreement):									

1,565.00 Tons

0.65

1,017.25

Season of Operations:

ANY LISTED SPECIES

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Sale is located east of Bruno MN just off the park hills RD. The sale still has roads and landings from previous harvest. Uniform aspen that is early 40s for age class. A decent amount of the site could be harvested in a dry summer, but some will be frozen only. Aspen on the sale contains 20% bolts.

If using a township road to access the permit, permittee must contact the appropriate township authorities prior to use.

Price Adjustments:

Road Construction Costs: +10% Haul Distance to Nearest Mill: +5%

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Jacob Sivertson

(Appraisal ID 16390-0; Cutting Block ID 19053-0)

TRACT B3 COUNTY: PINE AREA: SANDSTONE AREA ACRES: 35.4

Permit Number: B014932 Expiration Date: 05/31/2024

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd Street, Cloquet, MN 55720

NWNW,SWNW of Section 18 - Township 45, Range 16W. NENE,SENE of Section 13 - Township 45, Range 17W.

			ŭ.		APPRAISED		BID %: 124	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES RED MAPLE	PULPWOOD PULPWOOD	890.00 100.00		14.70 9.45	13,083.00 945.00	32.93 9.45	29,307.70 945.00
	+ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = EPAYMENT =	\$14,028.00 \$2,104.20	BID TOTA	_=\$ 30,252.70

Optional Timber (may be purchased with an Added Timber Agreement):

BALSAM FIR	PULPWOOD	190.00 Cd	7.35	1,396.50
ANY LISTED SPECIES	BIOMASS	476.00 Tons	0.65	309.40

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 1%; Trembling Aspen 99%.

Marketing Conditions:

Balsam fir is optional and not included in the biomass calculations. Access is off of the net lake forest road and deer run trail. Trail can be use only to landing. This is a winter harvest due to bats and Salamanders on the site.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Brian S. Allshouse

(Appraisal ID 16397-0; Cutting Block ID 19054-0)

TRACT B4 COUNTY: HOUSTON AREA: LEWISTON AREA ACRES: 24.8

Permit Number: B014933 Expiration Date: 07/15/2024

Purchased By:
Address:

NWSE,SENE,SWNE of Section 34 - Township 102, Range 4W. GL07,GL08,NENW,SENW of Section 2 - Township 101, Range 4W.

			APPRAISED UNIT					
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	WHITE PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	314.00	Cd	24.00	7,536.00	24.00	7,536.00
+	NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	136.00	Cd	29.50	4,012.00	29.50	4,012.00
	WHITE SPRUCE	PULPWOOD	28.00	Cd	4.00	112.00	4.00	112.00
	+ BID SPECIES * SOLE	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$11,660.00 \$1,749.00	BID TOTA	L = \$ 11,660.00

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 16%; Pulpwood 54%; Sawtimber (Softwood Only) 30%. White Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 25%; Pulpwood 15%; Sawtimber (Softwood Only) 60%.

Season of Operations:

- No sale operations allowed between April 16 October 19, without written permission from State (Cutting Block 1).
- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).

Sale Conditions:

- Access is across an easement and state land (Cutting Block 1).
- Access is across state land (Cutting Block 2).

Marketing Conditions:

Sale consists of two cutting blocks a mile south of Reno. The first cutting block is a last entry thinning on the north side of Neumann Road just off of Highway 26. The second cutting block is a first entry thinning a mile down County Road 249.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Ryan Thurman

(Appraisal ID 16394-0; Cutting Block ID 18878-0, 18879-0)

TRACT B5 AREA: LEWISTON AREA COUNTY: FILLMORE ACRES: 60.0

Permit Number: B014934 Expiration Date: 07/15/2022

Purchased By: Address:

NESW, NWSW, SENW, SWNW of Section 21 - Township 101, Range 13W.

			APPRAISED UNIT		BID:		
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+* ASH	SAWTIMBER (HARDWOOD ONLY)	15.10	MBF	36.96	558.10	36.96	558.10
* AMERICAN ELM	SAWTIMBER (HARDWOOD ONLY)	2.10	MBF	38.79	81.46	38.79	81.46
* BOXELDER	SAWTIMBER (HARDWOOD ONLY)	0.70	MBF	10.00	7.00	10.00	7.00
+ BID SPECIES	* SOLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$646.56	BID TOTA	L = \$ 646.56
		Α	DVANCE	PAYMENT =	\$96.98		

MIXED HARDWOODS **PULP & BOLTS** 43.30 Cd 7.00 303.10

Mixed Species Description:

Mixed Hardwoods Pulp & Bolts includes: American Elm 23%; Ash 71%; Boxelder 6%.

Mixed Product Description:

American Elm Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 7%; Sawlog-Grade 2 (Hardwood) 41%; Sawlog-Grade 3 (Hardwood) 52%.

Ash Sawtimber (Hardwood Only) includes: Sawlog-Grade 1 (Hardwood) 6%; Sawlog-Grade 2 (Hardwood) 23%; Sawlog-Grade 3 (Hardwood) 71%.

Boxelder Sawtimber (Hardwood Only) includes: Sawlog-Grade 3 (Hardwood) 100%.

Mixed Hardwoods Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
- No harvesting during firearms & muzzleloader deer and spring turkey seasons.

Marketing Conditions:

This is a sold on Appraised Volume sale (SOAV). State law requires DNR appraisers to meet accuracy standards set by the commissioner. To ensure these are being met, the Timber Sale Administrator (TSA) has the option to scale any or all of the wood products harvested from this permit before they are removed from the permit landing, or require the completion of the DNR Report of Timber Cut and Removed, or request copies of any mill tallies or load receipts. Optional timber if purchased will be scaled.

Tree count Elm-42, Ash-308, Box elder-19

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -30% (Emerald ash borer damage)

Appraiser:

Donald Edgar

Harvest specifications and additional information about each tract may be obtained upon request from the following DNR Area Forestry Offices:

LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By:
Authorized Signature
Division Of Forestry

Dated: January 14, 2021

LITTLE FALLS AREA, SANDSTONE AREA, LEWISTON AREA, NEW ULM AREA

	SUMMARY FOR <u>SOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE					
PULP & BOLTS	ASH	89.00	Cd	5.14	457.46					
	PAPER BIRCH	150.00	Cd	9.44	1,416.00					
	BASSWOOD	313.00	Cd	5.95	1,862.35					
	OAK SPECIES	422.00	Cd	34.32	14,483.04					
PULPWOOD	ASPEN SPECIES	4,465.00	Cd	27.90	124,581.45					
	TREMBLING ASPEN	3,300.00	Cd	46.37	153,021.00					
	PAPER BIRCH	150.00	Cd	10.35	1,552.50					
	MAPLE SPECIES	166.00	Cd	8.00	1,328.00					
	RED MAPLE	100.00	Cd	9.45	945.00					
	BALSAM FIR (optional)	190.00	Cd	-	0.00					
BIOMASS	ANY LISTED SPECIES (optional)	4,206.00	Tons	-	0.00					

TOTAL SOLD TRACTS CONVERTED TO CORDS: 9,345.00

TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 127,313.59

TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 299,646.80

TOTAL ACRES SOLD: 304.2

SOLD TRACT NUMBERS: 1, 2, 3

TOTAL NUMBER OF TRACTS SOLD: 3

SUMMARY FOR <u>UNSOLD</u> TRACTS									
				APPRAISED					
		TOTAL		AVERAGE	APPRAISED				
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE				
PULP & BOLTS	MIXED HARDWOODS (optional)	43.30	Cd	7.00	303.10				
PULPWOOD	WHITE SPRUCE	28.00	Cd	4.00	112.00				
WOODSRUN SAWTIMBER	WHITE PINE	314.00	Cd	24.00	7,536.00				
(SOFTWOOD ONLY)	NORWAY PINE	136.00	Cd	29.50	4,012.00				
SAWTIMBER (HARDWOOD	ASH	15.10	MBF	36.96	558.10				
ONLY)	AMERICAN ELM	2.10	MBF	38.79	81.46				
	BOXELDER	0.70	MBF	10.00	7.00				

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 557.10
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 12,306.56
TOTAL ACRES UNSOLD: 84.8

UNSOLD TRACT NUMBERS: 4, 5
TOTAL NUMBER OF TRACTS UNSOLD: 2